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1997

February 7, 1997

EX PARTE OR LATE FILED

William F. Caton Federal Communications Commission 1919 M Street, NW Washington, DC 20554

Re: Ex Parte filing, IB Docket 95-91

Dear Mr. Caton:

On February 6, 1997, Robert D. Briskman, President of Satellite CD Radio, Inc. (CD Radio) and H. Donald Messer of the US Information Agency, met with John Stern, Rosalee Chiara, and Ronald Repasi of the International Bureau and Steven Sharkey, Raymond LaForge, and Rodney Small from the Office of Engineering and Technology. The subject of meeting was the recent submission by the Consumer Electronics Manufacturers Association. The substance of the majority of the meeting was contained in CD Radio's *ex parte* filing of January 31, 1997. In addition, however, Mr. Messer noted that the CEMA field tests data showed that the S-band Satellite DARS system performed better than all the terrestrial DARS systems on 3 of the 6 test routes and was equal in performance on the 4th. This performance is particularly impressive because the data were measured using satellites with low power, low elevation angle, and without any diversity or equalizers.

Finally, and addressing the same subject, attached is a letter from ComStream Corporation, a large designer and manufacturer of digital receiver equipment. ComStream is familiar with satellite DARS systems, having worked with the technology for over five years. ComStream concludes that it is "certain that S-band digital receivers can technically operate in these systems and can be mass produced at consumer prices." This letter thus confirms the

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Second, the long satellite lead times and operational flexibility of the satellite DARS service will assure that licensees selected will have ample opportunity to adjust their business plans to adapt to any reasonable public interest requirement the Commission might subsequently adopt.

Third, while expeditious licensing of satellite DARS could begin the important financing and satellite manufacturing processes that could advance the availability of this service to the public, this two-step approach could afford the Commission more time to develop a better public record on this complicated issue. In this regard, CD Radio commits to work with the FCC to fashion workable and appropriate public interest obligations for satellite DARS.

Almost seven years ago, CD Radio filed an application to launch and operate two spacecraft in the satellite service. Since that filing, CD Radio has repeatedly pressed for Commission decision on final service rules and licensing. The long delay between application and licensing has been difficult for CD Radio and other entities interested in offering service to the public. The existing applicants have had to fund operations without service revenues and without licenses. Any additional delay could impair the continued existence of these companies, potentially resulting in fewer innovative offerings to the listening audience. Accordingly, CD Radio respectfully requests the Commission to conclude the licensing portions of this proceeding to enable CD Radio and the satellite DARS applicants to move ahead in their endeavor to bring this important new service to the American people.

Respectfully,

Richard E. Wiley

Counsel for CD Radio Inc.

REW/bap

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FET: (619) 458-1800, Radio Inc.

1001 22nd Street, NW

6th Floor

Washington, DC 20037



Att:

Robert D. Briskman

President, Systems Group

February 6, 1997

Dear Rob,

This letter updates our FCC filings of February 3, 1993 and September 14, 1995 supporting the implementation of satellite DARS in the 2310-2360 MHz frequency band.

As you know, ComStream Corporation is a major designer and manufacturer of digital satellite communications products and systems. Our products include digital satellite moderns, earth stations and direct broadcast data, audio and video receivers and components. We are particularly proud of our major contribution including major manufacturing work on the DirecTv DBS receivers.

Based on our five years of working with you and others on satellite DARS, we are certain that S-band digital receivers can technically operate in these systems and can be mass produced at consumer prices which are competitive with existing products.

When the FCC licenses satellite DARS, ComStream is most interested in providing components and/or products to this markets.

Sincerely yours,

Itzhak Gurantz

VP R&D

ComStream Corporation